

· **FAILED FOR \$13,000,000**

**PRICE, M'CORMICK & CO. GO TO  
SMASH IN COTTON SPECULATION.**

**Theodore H. Price Was the Plunger—They Said  
Inman Wasn't In It With Him—Said to  
Have Been Long of 425,000 Bales of Cotton—Assignment Credited to Partner  
McCormick's Insistence—George Crocker**

Had Half a Million in the Centra-Schlesier  
Non-in-Law a Partner—Semi-Panle in the  
Cotton Market—Price to be Married Second  
Price, McCormick & Co, Stock and co, bank  
brokers at 79 Broadway, and with money  
branches scattered over the country than any  
other commission house in the United States  
for the benefit of creditors. The firm's  
losses are estimated at \$13,000,000, nearly all  
which are said to be well secured. No state-  
ment of assets has been made. William  
Curtis of the law firm of Sullivan & Cromwell  
43 Wall Street, is assigned. The chief cause  
of the failure is the attempt to buy a decid-  
ing cotton market. The firm was the only  
in all the cotton centres of the United States  
in Liverpool. The effect of the failure on the

The firm of Price, McCormick & Co., was organized on March 13, 1895, and is composed of Theodore H. Price, William G. McCormick, nephew of the late Cyrus McCormick of Chicago; Ralph G. M. Stuart-Wortley, a son

in-law of Rear Admiral Solley; and Walter V. Price, George Crooker of San Francisco and New York is a special partner for \$500,000. The failure of the firm was more of a surprise to Wall Street than it was to cotton men. Shortly after the opening of the stock market a rumor went flying up and down the Street that one of the big firms was in trouble. This set in motion a series of operations to remove the firm from the market.

The effect on the Produce Exchange was practically nil, as the firm has done little business there for some time. On the Stock Exchange the failure was discounted before it was officially announced. It was evidently expected there which the weak house was, for near the close of the first hour there was rather

heavy selling, rumored to be for the account of Price, McCormick & Co., and this selling caused a drop in prices of from 1 to 2 per cent. Shortly after the announcement of the fall harvest when everybody knew what was meant, St. Louis Exchange prices rallied sharply under the influence of purchases to cover shorts.

turbance came. Just before the announcement August cotton was selling at 9.53, which was the high price of the day. Immediately after the announcement a roar went up from the traders around the little pit that might have been heard on Staten Island. While the traders were roasting and pulling at the hauling, down went the price of cotton

The first price that anybody could hear was 8.40 for August, and everybody wanted to sell. Then down it went to 8.35, which proved to be the low-water mark. At the close there was a slight rally, and when the rap of the President's gavel proclaimed that the business of the day was over the cotton brokers sat down to figure out just where they were "at" and take it over. When the atmosphere had cleared

“Why the devil couldn't we have seen this was coming? If we hadn't been just plain barnyard idiots we would have seen it a long time more of us would have made our pile.”

This was what most of the cotton traders

seemed to think if they didn't say so. Ever since last August, the operations of Price, McCormick & Co. have kept the cotton traders interested and lately these operations have dominated them. The firm name was usually used when the operations were spoken of, but as to the cotton traders the cotton traders' associations of Price, McCormick & Co. meaned ever and always the trading of these three men. H. Price. It was known on the exchange

Mr. Price, as well as all the other members of his firm, was beyond the reach of interviewers' questions of the failure had to come from those who have known the man and closely watched him for nearly a year and he was commonplace to the day of John Hinman.

His operations in the cotton market. As a result of these men, the cotton market has been saved almost to the ruin's down, and almost to the ruin's down. This is a plan to take the Street.

These stories say that Mr. Price began his August to cipher on the cotton market. It had been doing this for years—in fact, ever since he was a young man in an office in Norfolk, Va. This time, however, he purposed to cipher on a greater scale. He consulted credit reports and the figures of statisticians as to the

Then he ciphered out how much raw cotton the world would use, and, having got all the figures together, he made deductions, the result of which persuaded him beyond the possibility of changing that the supply of cotton would be below the demand and that the price of cotton must go up.

After he had come to this conclusion the attention of cotton men both in this country and in Europe was attracted by the communica-

over the country. The firm established a connection with three or four thousand cotton growers and after the cotton had been ginned, advised the holding of cotton for higher prices. Telegrams and postal cards followed these communications ordering the purchase of thousands of bales of cotton at prices ranging from 3½ cents to 6½ cents. Supplies abroad were not large, the manufacturers of cotton goods there refusing to believe that the cotton

crop was short. They found later, however, that Mr. Price had ciphered correctly and in January they began to buy. Price, McCormick & Co. had the cotton to sell, and they sold it at a very low range of 8 to 9 cents to 10 cents. Price said that as a result of those transactions the firm had cleaned up something like \$1,000,000 and Theodore II. Price was pointed to as the shrewdest trader in cotton the country had seen in many a day.

In February, according to the stories told by

terday, Mr. Price took up his pen and began writing to his brother again. He expressed out that the business was not to prosper in Liverpool would need so much cotton to supply the demand and that cotton goods which were sold in the British Empire, that the winners in the United States would need so many more thousands than before and that the supply would be so and so and so. Then he went over all of his figures carefully and, according to the rates of the cotton traders in Liverpool, he said:

And so he advised his friends, and so the advertisement was broadcast all over the country. How he could have made the mistake, it is thought to have made the second time the cotton traders don't pretend to say they had been successful, they would probably now be singing his praises more loudly than they did in January. He failed, and the commotion around the Cotton Exchange yesterday.

was, "The man must have gone dait." At any rate, the cotton spinners in this country and abroad should have a have the cotton that Mr. Price thought they would have had, but they had difficulty in getting rid of the manufactured products that they had on hand. The great dealers in cotton goods, like the H. B. Claflin Company and others, were reported to be stocked up and, at all events, they were not buying cotton goods. The cotton trade seemed to be much in the same case.

**Change of Schedule on the Pennsylvania E. E.**  
A general change in the time table of trains of the Pennsylvania E. E. will take effect on Sunday, the 23rd. Important changes and additions are made. The prudent traveller will ask for a new time table, which may be procured at all ticket agencies.

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